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BIA Capital Corp.
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BIA International, Inc.
BIA Research, Inc.

June 12, 1998

VIA FEDERAL EXPRESS

Office of the Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

RE: MM Docket No. 98-43
1998 Biennial Regulatory Review – Streamlining of Mass Media Applications, Rules, and Processes

Dear Secretary,

Attached are an original and nine (9) copies for circulation to the Commissioners and other relevant recipients of our Comments in response to the above Proposed Rulemaking. Also included is a diskette with a Microsoft Word version of this document.

If you should have any questions or need any additional information, please do not hesitate to call. Thank you for this opportunity.

Sincerely,

BIA RESEARCH, INC.

Debra L. Metcalf
Vice President

Enclosures

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In the Matter of)

1998 Biennial Regulatory Review --)
Streamlining of Mass Media Applications,)
Rules, and Processes)

MM Docket No. 98-43

COMMENTS OF

Thomas J. Buono, President/CEO
BIA Research, Inc.
15120 Enterprise Court, Suite 100
Chantilly, VA 20151

BIA files these comments on June 15, 1998, in the FCC's Notice of Proposed Rule Making in the matter of the 1998 Biennial Regulatory Review – Streamlining of Mass Media Applications, Rules, and Procedures. The focus of our comments relate to the electronic filing of applications (Item II. A.), as well as the proposed elimination of sales contract filings with Assignment and Transfer Applications (Item II. B. a. (ii)).

BIA Companies is a leading provider of financial, strategic and information services to the media and telecommunications industries. BIA Research, Inc. serves the media industry with the most comprehensive, current, and accurate compilation of data on the radio and television industries, their markets, and stations. BIA makes this information available through several highly respected and utilized sources, such as MEDIA Access Pro™ database software (formerly MasterAccess®), *Investing in Radio®*, *Investing in Television®*, and BIA's *Radio Yearbook®*, and *Television Yearbook®* publications. Annually, BIA also performs in-depth analyses of both the radio and television industries and offers its insights on their trends through BIA's *State of the Industry* studies. BIA's estimates of station and market revenues for both industries are used as a benchmark source for regulatory agencies such as the FCC and the DOJ as well as by buyers, sellers, and investors of media properties. BIA Consulting, Inc. is the leading provider of financial analyses to the media industries, providing station valuation, tax appraisal, business planning, due diligence and operational audit services. Through BIA Capital Corp., BIA assists small to medium-sized station owners through investment banking and acquisition consulting services.

In this age of instantaneous information and environmental concern, we strongly applaud the paperwork reduction and the advancement to electronic filing. We note that this movement is consistent with prior Commission actions to move towards electronic filings for all auction applications and to make information access easier for all interested parties. Toward this goal,

while we support the conversion to electronic filing and the resulting greater access to information, we are concerned that the Notice proposes to eliminate the requirement that sales contract filings be included with Assignment and Transfer Applications.

As the Commission is aware, the financial marketplace has had a tremendous impact on the growth of the broadcasting industry. One of the more common methods that the marketplace uses to evaluate broadcasting properties or spectrum licenses is a comparable sales approach. Under such an approach, investors evaluate transactions and the prices paid in the marketplace based on similar stations and the derived multiples of cash flow or revenues estimated for a given transaction. This information is widely used by licensees, investors, lenders, and analysts to evaluate transactions and determine trends in broadcast values. Much of this information is gleaned from the sales contract provided with the Assignment and Transfer Applications. Elimination of this data on the broadcasting industry would be similar to the exclusion of stock prices and the resulting price/earnings ratios for publicly traded companies.

We are concerned that the absence of this information could affect investors' and creditors' comfort level with the "market" for broadcast properties and could thereby result in a decrease in broadcast financing available from existing, or particularly, new sources. This only serves to broaden the gap between large station groups who have access to sophisticated investment institutions and smaller station groups or individual owners who may need to work with smaller local banks or investors.

We believe that keeping this information available to the public would be similar to the Commission's position on auctions. Information on auction applications, bids, and eligibility are available to all parties in the "marketplace" (i.e., the auction). We encourage the commission to continue with the same philosophy here. While we believe that licensees should continue to be required to submit such information, we propose that such information be made available in electronic text in keeping with the Commission's overall paperwork reduction goals. A sample of the information that we suggest be made available is shown as an attachment to these comments.

In conclusion, we again applaud the Commission for reducing paperwork burdens on licensees and believe that this effort, with our proposed modification, benefits all concerned parties.

We appreciate this opportunity to comment on this Proposed Rule Making.

Submitted by:



Thomas J. Buono, President/CEO

BIA Research, Inc.

15120 Enterprise Court Suite 100, Chantilly, VA 20151

June 15, 1998

Attachment
Sales Contract and Other Information

Station Call Letters: _____ ☐ AM ☐ FM ☐ TV
 Frequency or Channel: _____
 City of License: _____ State of License: _____

TRANSACTION INFORMATION

Applicant (Buyer) Name: _____
 Transferor (Seller) Name: _____
 Date of Agreement: YYYY/MM/DD
 Type of Transaction: ☐ Asset ☐ Stock ☐ Stock + Assets ☐ Other
 Purchase Price: \$ _____
 Includes:

Memo field – include all broadcast interests, real estate and other pertinent aspects included in transaction price.

Payment Method: Cash: \$ _____ Deposit: \$ _____
 Note 1 \$ _____ Term: _____ Years _____ Months Commencing YYYY/MM/DD
 Note 2 \$ _____ Term: _____ Years _____ Months Commencing YYYY/MM/DD
 Note 3 \$ _____ Term: _____ Years _____ Months Commencing YYYY/MM/DD
 Stock: (List details of number of shares, type and name of stock, etc.)
 Assumption of Debt: (Insert explanation of assumption terms.)

Non-compete Agreement? ☐ Yes ☐ No If yes, Amount: \$ _____ Term: _____ Years _____ Months

APPLICANT'S (BUYER / ASSIGNEE) PRINCIPALS:

Principal 1:	Name: _____	Title: _____
Principal 2:	Name: _____	Title: _____
Principal 3:	Name: _____	Title: _____
Principal 4:	Name: _____	Title: _____
Principal 5:	Name: _____	Title: _____
Principal 6:	Name: _____	Title: _____

APPLICANT'S (BUYER / ASSIGNEE) OTHER MEDIA INTERESTS:

Memo field

LEGAL REPRESENTATION:

Seller Attorney: Name: _____ Firm: _____
 Buyer Attorney: Name: _____ Firm: _____

FINDERS, CONSULTANTS AND BROKERS:

Seller Representative 1:	Name: _____	Company: _____
Seller Representative 2:	Name: _____	Company: _____
Buyer Representative 1:	Name: _____	Company: _____
Buyer Representative 2:	Name: _____	Company: _____

ADD ANOTHER STATION TO THIS TRANSACTION: ☐ Yes ☐ No (Transaction Complete with this entry)

IF YES, DUPLICATE THE APPROPRIATE SECTIONS TO THE NEXT STATION RECORD: ☐ Yes ☐ No